GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:463
ANSWERED ON:21.12.2000
MARKETING RIGHTS TO FOREIGN COMPANIES
ADHIR RANJAN CHOWDHURY;SHYAMA SINGH

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have been considering offering marketing rights to private and foreign companies in case investments are made by them in Oil Exploration and Refining sector;

(b) if so, whether a Seminar on Oil Exploration and Production was held at New Delhi in September, 2000;

(c) if so, the outcome of the discussions held in the Seminar;

(d) the details of private and foreign companies who had agreed to invest in the field of Oil Exploration in lieu of marketing rights; and

(e) the extent to which Oil production is likely to be increased as a result thereof?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK)

(a) to (e) :- A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN RESPECT OF PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.463 FOR 21.12.2000 REGARDING MARKETING RIGHTS TO FOREIGN COMPANIES.

(a):- The Government of India announced a road map for dismantling of Administered Pricing Mechanism (APM) in November, 1997. The aforesaid announcement inter alia provided for grant of marketing rights for transportation fuels viz. Motor Spirit (MS), High Speed Diesel (HSD) and Aviation Turbine Fuel (ATF) conditional on owning and operating refineries with an investment of at least Rs.2,000 crore or oil exploration and production companies producing atleast three million tonnes of crude oil annually. Full de-regulation of Petroleum Sector is targetted from 1st April, 2002 onwards.
Government have already decontrolled all petroleum products except MS, HSD, ATF, LPG (Domestic) and Kerosene (PDS).

(b) & (c) :- A Seminar was organised by the Federation of Indian Chambers of Commerce and Industries (FICCI) on 28th September 2000 on the subject `Exploration and Production: Past Experiences and Future Trends`.In the Seminar, there was general discussion and exchange of views.

(d) & (e) :- No proposal has been received for investment in oil exploration in lieu of marketing rights, so far.